

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
302 W. WASHINGTON STREET, SUITE E-306
INDIANAPOLIS, INDIANA 46204-2764

<http://www.state.in.us/iurc/>
Office: (317) 232-2701
Facsimile: (317) 232-6758

**VERIFIED PETITION OF INDIANAPOLIS)
POWER & LIGHT COMPANY FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY FOR CONSTRUCTION OF)
CLEAN COAL TECHNOLOGY UNDER)
IND. CODE CH. 8-1-8.7; FOR ONGOING)
REVIEW OF THE CONSTRUCTION)
PROJECT PURSUANT TO IND. CODE)
§ 8-1-8.7-7; FOR APPROVAL OF THE USE OF)
QUALIFIED POLLUTION CONTROL)
PROPERTY UNDER IND. CODE § 8-1-2-6.6;)
FOR APPROVAL OF THE USE OF THE)
RATEMAKING TREATMENT PROVIDED IN)
IND. CODE § 8-1-2-6.6 AND IN 170 IAC 4-6-1)
et seq.; AND FOR THE TIMELY RECOVERY)
OF COSTS INCURRED DURING)
CONSTRUCTION AND OPERATION OF)
THE CLEAN COAL TECHNOLOGY)
PROJECTS PURSUANT TO IC 8-1-8.8-1 *et seq.*)**

FILED

FEB 05 2003

INDIANA UTILITY
REGULATORY COMMISSION

CAUSE NO. 42170

APPROVED:

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") made the following entry in this Cause:

On February 1, 2002, Indianapolis Power & Light Company ("IPL," "Company" or "Petitioner") filed its Petition in this Cause with the Indiana Utility Regulatory Commission ("Commission") for a Certificate of Public Convenience and Necessity ("CPCN") for the use of clean coal technology ("CCT") pursuant to Ind. Code (IC) § 8-1-8.7 and for approval of the use of qualified pollution control property ("QPCP") pursuant to IC § 8-1-2-6.6. Petitioner also requested that the Commission find that Petitioner is entitled to use the ratemaking treatment for the construction costs provided under IC § 8-1-2-6.6 and 170 IAC 4-6-9 through 23 and requested that the Commission provide ongoing review of the construction project pursuant to IC § 8-1-8.7-7. On July 15, 2002, Petitioner filed an amended petition adding a request for the timely recovery of costs incurred during construction and operation of the CCT projects pursuant to IC § 8-1-8.8-1 *et seq.*

The Commission issued on Order in this Cause on November 14, 2002, in which it approved the Petitioner's request for ongoing review of the construction of its CCT Projects under IC § 8-1-8.7-7. In the Order, the Commission indicated that the ongoing review of the Company's CCT Projects should be conducted on a semi-annual basis, and that as part of these proceedings IPL should submit progress reports and revisions to its cost estimates for the construction. In addition, the Commission recognized that the timing of the ongoing review should make it possible for the Petitioner to make its ongoing review filing in conjunction with its Environmental Compliance Cost Recovery Adjustment ("ECRA") filing addressed in the Parties' Settlement Agreement. The Commission also determined that an analysis of the development of the NOx allowance market, and the continued economic viability of purchases in the market, vis-à-vis other approaches outlined by IPL, should be included as part of the Petitioner's request for ongoing review in this Cause.

The Presiding Officers recognize that the ongoing review requested by the Petitioner will necessitate periodic filings relating to environmental cost issues over an extended period of time. In order for the Commission to effectively track the requests; to ensure the same designation is in place for each utility that has requested ongoing review; and to conserve the Commission's cause numbers, the Presiding Officers have determined that subsequent filings relating to ongoing review of the issues in this Cause should continue to utilize the 42170 Cause Number, but should also include a designation for *Environmental Cost Review* ("ECR"). Accordingly, the initial filing to be made by IPL regarding its request for ongoing review should be filed as 42170 ECR 1. Subsequent filings on these issues should continue to utilize this format.

IT IS SO ORDERED.

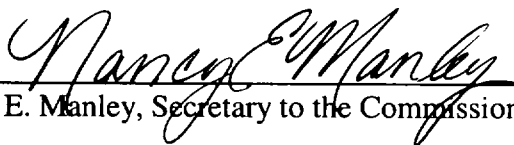


David E. Ziegner, Commissioner



Scott R. Storms, Chief Administrative Law Judge

DATE 2/5/03



Nancy E. Manley, Secretary to the Commission